

**GOVERNMENT OF ANDHRA PRADESH  
ABSTRACT**

Cooperation Department – De-caderised Paid Secretaries – Taking over the services of de-caderised Paid Secretaries by respective District Cooperative Central Banks to enable Primary Agriculture Cooperative Societies to implement NABARD guidelines on expenditure and manpower norms – Permission – Accorded.

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**AGRICULTURE & COOPERATION DEPARTMENT**

**G.O.Ms.No.67**

**Dated:20 .02.2009**  
**Read the following:**

1. Representation from the President, A.P.State Agricultural Cooperative Secretaries Employees Union Hyderabad, Dated: 03-06-2007
2. G.O.Ms.No. 106 Agriculture & Cooperation (Coop.VI) Department, dated 18.04.2008.
3. G.O.Ms.No. 1533 Agriculture & Cooperation (Coop.VI) Department, dated 05.12.2008.
4. Note received from the Spl.Secy. to C.M. Note No.10160/CMP/2008, Dated: 12-08-2008, with enclosed Reptn. of the President, Agricultural Cooperative Secretaries Employees Union Hyderabad, dt.04-08-2008
5. Note received from the Spl.Secy. to C.M. Note No.1015833/CMP/2008, Dated: 16-11-2008 with enclosed Reptn. President A.P.State Cooperative Secretaries Employees Union Hyderabad, affiliated to INTUC, dt.11-11-2008
6. Representation from the President, A.P.State Cooperative Secretaries and Employees Union Hyderabad, Dated: 19-01-2009.
7. From the CC & RCS, a.P. Hyd. Letter Rc.No. 4819/2007/PC-1, Dated 05.02.2009.

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**ORDER:**

In the year 1973 under a programme launched by Government of India to provide adhoc jobs to unemployed youth (Half-a-million job scheme) certain persons were appointed in Education, Health & Municipal Administration and Cooperation Department. The persons appointed in Cooperation Department were kept as a pool (common cadre) to be maintained by the respective District Cooperative Central Banks and they were deployed in various Primary Agriculture Cooperative Societies as Paid Secretaries and their salaries were provided out of the Common Cadre Fund to be collected in the ratio of 1:5:4 from Andhra Pradesh Cooperative Bank, District Cooperative Central Banks and Primary Agriculture Cooperative Societies wherein these persons were deployed to work as Paid Secretaries.

2. Subsequently, in the year 1985, the common cadre was abolished and these de-caderised Paid Secretaries were allotted to various Primary Cooperative Credit Societies. As this particular category of Paid Secretaries were appointed with a Government initiative, the Government have been fixing their pay and allowances from time to time. The Government in G.O. 2<sup>nd</sup> read above, issued orders fixing certain pay scales for the de-caderised Paid Secretaries.

3. In the references 1<sup>st</sup> and 4<sup>th</sup> to 6<sup>th</sup> read above, some representations were received from the service associations of de-caderised Paid Secretaries, other Board Secretaries and staff appointed by the respective Primary Agriculture Cooperative Societies as well as the employees of District Cooperative Central Banks in which certain issues relating to pay and allowances and other service matters were raised. Accordingly, vide reference 3<sup>rd</sup> read above the Government constituted a three member committee consisting of Registrar of Cooperative Societies, Managing Director, Andhra Pradesh State Cooperative Bank and Chief General Manager, NABARD, Regional Office, Hyderabad to look into the Service matters of employees of Cooperative Credit Structure and make suggestions to the Government.

4. The A.P.C.S. Act 1964 was amended vide Act 16 of 2007 to give effect to the Memorandum of Understanding (MoU) signed by Government of Andhra Pradesh

with Government of India and NABARD with a view to implement the revival package for Cooperative Credit Structure offered by Government of India based on the recommendations of Prof. A.Vaidyanathan. According to the newly inserted Section 115-D(2) "The Cooperative Credit Society shall have autonomy in all Financial and Internal Administrative Matters, subject to the guidelines of Reserve Bank of India / National Bank of Agriculture and Rural Development in specified areas including personnel policy, staffing, recruitment, posting and compensation to staff.

5. The Registrar of Cooperative Societies in the reference 3<sup>rd</sup> cited above have forwarded certain Interim Recommendations of the three member committee. The salient features of the recommendations are as under:

- (i) The Committee took note of the guidelines issued by NABARD on expenditure and manpower norms for Primary Agriculture Cooperative Societies vide their communication dated 1<sup>st</sup> January 2009, which are statutorily binding on the Primary Agriculture Cooperative Societies as per the provision under Section 115-D(2) of A.P.C.S. Act, 1964.
- (ii) It was also noted by the committee that majority of the Primary Agriculture Cooperative Societies are not in a position to pay salaries to their staff even within the ceiling laid down under Section 116-C of the APSCS Act.1964, which was applicable to them before 1<sup>st</sup> January 2009 and that the new ceiling prescribed in NABARD guidelines i.e., 20% to 30% of the total income (Net Interest Income + Other Income), is much more stringent and difficult for the Primary Agriculture Cooperative Societies to comply with, particularly if they have to pay the pay and allowances fixed by the Govt. for the de-cadredised Paid Secretaries vide reference 2<sup>nd</sup> read above.
- (iii) There are also large number of vacancies in District Cooperative Central Banks, particularly in Category V Posts, to which these paid Secretaries have been equated and moreover, most of the Paid Secretaries may retire within within 3-4 years.
- (iv) The Committee, therefore, suggested that these de-cadredised Paid Secretaries, who were initially appointed by District Cooperative Central Banks and subsequently allotted to PACS consequent on de-cadredised, may be reverted back to the concerned District Cooperative Central Banks. The District Cooperative Central Banks may depute some of the de-cadredised Paid Secretaries to such of the Primary Agriculture Cooperative Societies which have the ability to pay as per NABARD guidelines and services of remaining Paid Secretaries will be utilized by District Cooperative Central Banks duly meeting their cost.

6. The Govt. after careful consideration, hereby permit the District Cooperative Central Banks to take back the services of de-cadredised Paid Secretaries to enable the PACS to comply with the expenditure ceilings fixed by the NABARD under Section 115-D(2) of A.P.C.S. Act.1964. The reverted de-cadredised Paid Secretaries will constitute a special Category of Assistant and will draw emoluments in the scale fixed by Govt. in the G.O. 2<sup>st</sup> cited above from the date of joining in District Cooperative Central Banks. The District Cooperative Central Banks are also permitted to fix salaries of the decadrised Secretaries earlier promoted as assistants under 5:4:1 in the above scale as on the date of promotion on a notional basis with prospective financial benefit. The de-cadredised Paid Secretaries will not be entitled to claim any seniority in the cadres of the District Cooperative Central Banks.

7. The Commissioner for Cooperation and Registrar of Cooperative Societies, Andhra Pradesh, Hyderabad will issue operational guidelines for implementation of above orders. The Commissioner for Cooperation and Registrar of Cooperative Societies, Andhra Pradesh, Hyderabad will ensure that the District Cooperative Central Banks give consent for taking up additional financial liability if any.

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8. This order issues with the concurrence of Finance (Exp. A& C) Department Vide their U.O.No.1973/86/09, Dated: 13-02-2009.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**PANKAJ DWIVEDI  
PRINCIPAL SECRETARY TO GOVERNMENT**

To

The Commissioner for Cooperation and Registrar of Cooperative Societies,  
Andhra Pradesh, Hyderabad.

The Managing Director  
Andhra Pradesh State Cooperative Bank, Hyderabad.  
The District Cooperative Central Banks in the State  
The District Cooperative Officers, in the State

**Copy to:**

The Chief General Manager  
NABARD, Regional Office,  
Hyderabad.  
The Pay and Accounts Officer  
Hyderabad..  
The Accountant General  
Andhra Pradesh, Hyderabad.  
The Finance (Exp.A& C) Deptt.  
The President, Agricultural Cooperative Secretaries Employees  
Union Hyderabad.  
The President A.P.State Cooperative Secretaries Employees  
Union Hyderabad. (Affiliated to INTUC)  
The President, A.P.State Cooperative Secretaries  
and employees Union Hyderabad. (Reg. No. B.780)

**// FORWARDED BY ORDER //**

**SECTION OFFICER**